#### BEFORE THE

### DEPARTMENT OF TRANSPORTATION

### WASHINGTON, D.C.

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Application of

UNITED AIRLINES, INC.

Docket DOT-OST-2022-

for a frequency allocation to operate Washington, D.C.–Cape Town

South Africa service

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## APPLICATION OF UNITED AIRLINES, INC. FOR FREQUENCY ALLOCATION

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March 4, 2022

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## DEPARTMENT OF TRANSPORTATION

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## APPLICATION OF UNITED AIRLINES, INC. FOR FREQUENCY ALLOCATION

United<sup>1</sup> applies, pursuant to 14 C.F.R. Subpart C of the Department's Rules of Practice, for an allocation of three (3) weekly U.S.–South Africa frequencies to permit United to provide three-times-weekly, year-round scheduled foreign air transportation of persons, property, and mail between the U.S. and Cape Town, South Africa via Washington, D.C.<sup>2</sup> United currently holds three (3) frequencies for nonstop service between the Newark/New York City region and Cape Town and seeks to supplement U.S. consumer travel choices by the addition of three (3) frequencies operated at Washington, D.C. United plans to start service on or near November 17, 2022, using 257 seat Boeing 787-9 aircraft from its existing fleet. United's service will comply

Common names are used for airlines.

United filed with the Department on this same date its Answer to the Application of Delta Air Lines, Inc. for an allocation of U.S.–South Africa frequencies. In its Answer to Delta, United explains the minimum level of frequencies it would be willing to accept subject to Delta also agreeing to United's proposal.

with South Africa's COVID-19 related travel requirements and will commence once all necessary approvals have been secured.

In support of this application, United states as follows:

- 1. United's proposed flight will depart Washington Dulles at 6:30 p.m.<sup>3</sup> on Monday, Thursday, and Saturday and arrive at Cape Town the following day at 4:15 p.m. On the return, the proposed flight will depart Cape Town at 9:00 p.m. on Tuesday, Friday, and Sunday and arrive at Washington Dulles the following day at 6:00 a.m. United requests authority for year-round service with seasonal flexibility to adjust capacity to potential fluctuations in demand.
- 2. Allocation of these additional frequencies to United to expand service from the U.S. East Coast to Cape Town is clearly in the public interest. United's proposal here will provide additional capacity in the U.S.—South Africa market, giving consumers an additional flight and day of week to choose among. United's nonstop service will supplement the service it has historically offered at Cape Town as well as at Johannesburg, providing enhanced access to South Africa. The added frequencies will connect and complement United's existing service at Newark/New York City, which serves the U.S.' most populated metropolitan area and largest U.S.—Cape Town route.<sup>4</sup> In addition to seamlessly connecting key business and government hubs between the U.S. and South Africa and enhancing consumer options and convenience, the allocation of these frequencies to United will enhance competition against Delta, which has been the incumbent U.S. carrier to continental Africa for almost two decades.

In addition, United's proposal will bring forth significant consumer benefits, such as:

<sup>&</sup>lt;sup>3</sup> All times are local.

United currently operates three times weekly from Newark/New York City to Cape Town on Wednesday, Friday, and Sunday

- Connect the U.S. capital—the second largest point in the U.S. for Cape Town demand and fifth largest South African born population—to the legislative capital of South Africa at Cape Town, facilitating important government-to-government connections with a total of three weekly frequencies.
- Enhance consumer access at 49 points across the U.S. representing nearly 90% of all
  U.S.-Cape Town demand and 93% of U.S.-South Africa demand with convenient,
  nonstop and one-stop connecting service to Cape Town.<sup>5</sup>
- Offer consumers a near daily service pattern for travel to Cape Town as United's Washington, D.C. flights will operate to Cape Town on days of the week that are not served by United from Newark/New York City. United's service from both of its East Coast hubs in total will provide nearly twice the number of weekly seats than Delta's Cape Town proposal.
- Create connecting opportunities at Cape Town via United's partner, Airlink, to 15 points across Botswana, Namibia, South Africa, and Zimbabwe.<sup>6</sup>
- Enhance competition against Delta, which has been the incumbent and largest U.S. carrier providing service to continental Africa for well over a decade. Since 2006, and best United can understand the OAG data, Delta has operated nonstop and/or wrap flights between New York JFK and Atlanta on the one hand and eight cities in six countries across Africa, including Abuja, Accra, Cairo, Cape Town, Dakar, Johannesburg, Lagos, and Monrovia, on the other hand.<sup>7</sup> In contrast, United is

<sup>&</sup>lt;sup>5</sup> Source: MIDT (2019) data and OAG (June 2022, published as of February 3, 2022).

<sup>6</sup> Source: OAG. Airlink is scheduled to add East London, South Africa as its 15th destination served from Cape Town in October, 2022

Source: OAG. See also Delta in Africa: 10 years of convenience, connections, Delta.com, (Dec. 16, 2016), https://news.delta.com/delta-africa-10-years-convenience-

- competing anew in the U.S.–Africa market after departing in 2016, with currently only four routes and a fifth route as proposed in this proceeding.
- Continue to build on and enhance United's continental Africa network successes at Washington, D.C., which currently provides service to Accra, Ghana and Lagos, Nigeria.
- 3. United's existing certificate of public convenience and necessity for Route 747 authorizes United to engage in scheduled foreign air transportation of persons, property, and mail between any point in the United States via intermediate points in third countries, and the coterminal points of Johannesburg and Cape Town, South Africa, and beyond South Africa to Harare, Zimbabwe. United's certificate authority remains in force pursuant to the provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 C.F.R. Part 377, pending action on United's timely-filed renewal application.<sup>8</sup>
- 4. United holds various certificates of public convenience and necessity and exemptions authorizing it to engage in scheduled air transportation of persons, property, and mail between the U.S. and foreign countries, and United is fit, willing, and able to provide the service for which it seeks authority. *See*, *e.g.*, Orders 2013-4-11 (reissuing United/Continental authorities to United), 2011-3-14 (United/Continental route transfer), 2007-4-19 (Blanket Open Skies), and Notice of Action Taken dated May 14, 2019, in Docket DOT-OST-2004-19148 (blanket worldwide codesharing). United requests that the Department take official notice, pursuant to

connections; Delta restores service to all pre-COVID Africa markets with Johannesburg return, (Jun. 12, 2021), https://news.delta.com/delta-restores-service-all-pre-covid-africa-markets-johannesburg-return.

<sup>&</sup>lt;sup>8</sup> See Order 2004-5-23; see also Notice of Action Taken on Apr. 19, 2019, at fn. 1, Docket DOT-OST-2019-0062.

Rule 24 of its Rules of Practice, of all data filed to date to establish United's fitness. United will continue to conduct its operations in accordance with the terms and conditions of its authority, as well as with all applicable international agreements.

- 5. United urges the Department to act promptly on this application so that it can secure foreign authority, make final operating plans, and begin marketing the additional Washington, D.C.—Cape Town flights well in advance of operations, which United plans to commence on or near November 17, 2022, provided all necessary approvals have been secured.
- 6. The requested authority is fully consistent with the U.S.-South Africa Air Transport Services Agreement and under principles of comity and reciprocity. United understands that four weekly frequencies exist in the pool currently for allocation, and after grant of this application one additional frequency will remain.<sup>9</sup>
- 7. Grant of the requested authority will not cause a near-term net annual change in United's aircraft fuel consumption of 10 million gallons or more and will not, therefore, constitute a major regulatory action under Part 313 of the Department's Procedural Regulations.

See U.S.-South Africa Air Transport Agreement of July 23, 1996; see also Notice of Action Taken on Jun. 29, 2021, at fn. 2, Docket DOT-OST-2020-0051.

WHEREFORE, United respectfully requests that the Department promptly grant this application for frequency allocation and to grant such other relief the Department may deem necessary or appropriate.

Respectfully submitted,

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Counsel for United Airlines, Inc.

March 4, 2022

# **CERTIFICATE OF SERVICE**

I certify that I have this date served the foregoing document on the following persons by causing a copy to be sent electronically in accordance with the Department's Rules of Practice:

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March 4, 2022